



## PRE-DISASTER MITIGATION COMPETITIVE GRANT PROGRAM OVERVIEW

### BACKGROUND

The Fiscal Year 2003 budget provides \$150 million under the National Pre-Disaster Mitigation Fund to initiate a competitive grant program for pre-disaster mitigation activities. The intent of this program is to provide a consistent source of funding to State, Tribal, and local governments for pre-disaster mitigation planning and projects primarily addressing natural hazards. Funding these plans and projects reduces overall risks to the population and structures, while also reducing reliance on funding from actual disaster declarations. This document outlines the Pre-Disaster Mitigation (PDM) competitive program.

### USES OF FUNDS

**Funds:** FEMA was directed to provide \$250K to States and five other recognized entities for planning grants (\$13.75M total). The Disaster Resistant University program will receive \$3.6M. The remaining funds will be available for competitive pre-disaster mitigation grants, technical assistance, and program support for PDM.

#### Eligible Activities:

- Mitigation projects: \$3M cap Federal share per project
- Mitigation planning: No cap

Up to 10% of the funds requested in the mitigation planning or project sub-applications may be used for information dissemination activities regarding cost-effective mitigation technologies. These activities may include marketing and outreach (e.g., brochures, videos, etc.), but only if related to the proposed mitigation planning or project activity.

- Applicant management costs: not to exceed 10%
- Sub-Applicant management costs: not to exceed 5%

Cost-share: 75% Federal cost-share. Small, impoverished communities may be eligible for a 90% Federal cost-share.

### KEY POINTS

**National Priorities:** For FY 2003, the National priority is funding mitigation projects that address NFIP repetitive flood loss properties.

#### Ineligible Activities:

- Major flood control projects such as dikes, levees, floodwalls, seawalls, groins, jetties, dams, waterway channelization, beach nourishment or renourishment;
- Warning systems;
- Engineering designs that are not integral to a proposed project;
- Feasibility studies that are not integral to a proposed project;
- Drainage studies that are not integral to a proposed project;
- Generators that are not integral to a proposed project;
- Phased or partial projects;
- Flood studies or flood mapping; and,
- Response and communication equipment.

### ELIGIBILITY REQUIREMENTS

**Applicant Eligibility:** Only the emergency management agencies or a similar office (i.e. the office that has emergency management responsibility) of the State, the District of Columbia, the U.S. Virgin Islands, the Commonwealth of Puerto Rico, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, as well as Federally recognized Indian Tribal governments are eligible to apply to FEMA for assistance as Applicants under this program.

**Sub-applicant Eligibility:** Other state-level agencies; Federally recognized Indian Tribal governments; and local governments to include State recognized Indian Tribes, authorized tribal organizations, and Alaska Native villages are eligible to apply to the Applicant for assistance. Private non-profit organizations are not eligible Sub-applicants; however, they may request a local government to submit an application for their proposed activity on their behalf.

### KEY POINTS

**NFIP Participation:** All Applicants and Sub-applicants must be participating in the National Flood Insurance Program (NFIP) if they have been identified through the NFIP as having a Special Flood Hazard Area (a Flood Hazard Boundary Map (FHBM) or Flood Insurance Rate Map (FIRM) has been issued). In addition, the community must not be on probation, suspended or withdrawn from the NFIP.

## APPLICATION PROCESS

**Application Process:** FEMA's electronic grants (e-Grants) system should be used by Applicants and Sub-applicants whenever possible. FEMA's e-Grants system is a user-friendly format that may substitute for the paper-based process. Applicants may submit a paper application, which can be obtained from the FEMA Regional Office.

### Application Content:

- Completed forms as outlined in guidance;
- Documentation to support non-Federal cost share;
- Status as a small, impoverished community, if appropriate, for Federal cost share of up to 90%;
- Program Narrative for each activity;
- Applicant's priority ranking of each activity;
- Activity-specific scopes of work;
- Timeline/schedule for each activity;
- Responses to the Supplemental Questions for National Ranking and Evaluation for each activity, including documentation for the hazard risk assessment for mitigation planning activities;
- Benefit Cost Analysis and documentation for mitigation projects;
- Responses to Established Environmental/Historic Questions and documentation for mitigation projects;
- Documentation of engineering feasibility and design for mitigation projects;
- Alternatives considered to address the hazard identified for proposed mitigation projects

Technical assistance is available to Applicants and Sub-applicants throughout the application process. FEMA will answer questions on the application process, e-Grants, Benefit-Cost Analysis, engineering feasibility, and environmental and historic preservation compliance.

## KEY POINTS

**Application Period:** States and Federally recognized Indian Tribal governments must submit a grant application to the appropriate FEMA Regional Office by midnight Eastern Time, October 6, 2003.

**PDM Guidance Documents:** PDM guidance documents are available on the FEMA website: <http://www.fema.gov/fima/pdm> or from the FEMA Regional Office.

**e-Grants:** Applicants should contact the FEMA Regional Office regarding registration for the e-Grants website: <http://portal.fema.gov>. FEMA e-Grants Helpdesk: 1-866-476-0544 or [mtegrants@fema.gov](mailto:mtegrants@fema.gov).

**Benefit Cost Analysis:** A Benefit Cost Analysis is not required for planning activities. A Benefit Cost Analysis is required for all mitigation projects. Applicants will have to complete their own Benefit Cost Analyses. Mitigation projects with a benefit cost ratio less than 1.0 will not be considered. A Benefit Cost Analysis will be required for all properties, including substantially damaged structures. The pilot alternate determination of cost-effectiveness may be used for certain insured NFIP repetitive flood loss properties.

Benefit Cost Analysis Hotline: toll free (866) 222-3580 or [bchotline@urscorp.com](mailto:bchotline@urscorp.com).

## APPLICATION REVIEW

**Application Review:** All applications will be reviewed to ensure the following:

- Eligibility of the Applicants and Sub-applicants;
- Eligibility of proposed activities and costs;
- Eligibility and availability of non-Federal cost share;
- Consistency of mitigation projects with the FEMA-approved mitigation plan;
- Feasibility of mitigation projects;
- Benefit cost ratio of at least 1.0 for mitigation projects;
- Technical accuracy, complete supporting documentation, and source credibility of the BCA for mitigation projects;
- Complete responses to the Environmental/Historic Preservation Established Questions and supporting documentation for mitigation projects and inclusion of appropriate treatment measures in project cost; and,
- Complete responses to Supplemental Questions for National Ranking and Evaluation, including the hazard risk assessment for planning activities.

## KEY POINTS

### Elimination Criteria:

- Ineligible applicant
- Incomplete application
- Identified flood hazard area, but not NFIP participant
- Identified flood hazard area, but NFIP probation, suspended or withdrawn
- Missing cost-share funding
- Mitigation projects without a Benefit Cost Analysis
- Benefit cost ratio less than 1.0
- Activities requiring conditional approvals

Applicants who submit applications that do not satisfy eligibility requirements will be notified of their disqualification and the reason(s) for their ineligibility.

## RANKING & EVALUATION PROCESS

**National Ranking:** FEMA will score all eligible activities on the basis of predetermined, objective, quantitative factors to calculate a National Ranking Score. Factors that will be considered in the score in order of importance are:

- Benefit Cost Analysis (projects only);
- Assessment of risks by hazard (planning only);
- State/Tribal Ranking;
- Community Mitigation Factors;
- FEMA-Approved Mitigation Plan;
- Percent of the Population Benefiting (projects only);
- Small, Impoverished Community; and,
- Critical Facility (projects only).

**National Evaluation:** National panels, chaired by FEMA and composed of FEMA headquarters and regional staff, other Federal agency staff, and State representatives, will convene to evaluate activities on the basis of additional predetermined qualitative factors to determine a National Evaluation Score. Evaluation factors that will be considered in order of importance are:

- Feasibility of methodology and outcome;
- Implementation timeline and expectations;
- Sufficient staff and resources;
- Consistency with National priority; Federal laws and Executive Orders; and Federal programs;
- Community mitigation initiatives;
- Protection of critical facilities (projects only);
- Leveraging State and local partners;
- Model for other communities;
- Durable financial and social benefits (projects only);
- Appropriate outreach activities;
- Innovation and creativity; and,
- National Ranking Score.

## KEY POINTS

**National Ranking:** Mitigation planning activities will be scored separately from mitigation projects.

Sub-applications will be ranked in descending order based on the National Ranking Scores, and sub-applications representing 150% of available funds will progress to the National Evaluation.

The two highest scoring sub-applications from each State and the two highest scoring sub-applications from Tribal Applicants will be included in the National Evaluation, if not already included in the 150%, to ensure a geographic spread of the applications considered.

FEMA also may include sub-applications that are primarily focused on the National Priority to address NFIP repetitive flood loss properties among the sub-applications that progress to the National Evaluation.

**National Evaluation:** Mitigation planning and mitigation project activities will be evaluated as separate categories. All activities will be considered equal at the beginning of the National Evaluation.

For each activity, a panelist will provide a score for each evaluation factor, which will generate a National Evaluation Score computed as the sum of the weighted factor scores. Each panelist on the panel will provide a confidence rating for the activity using a 0 to 100 scale. A Confidence Factor for each sub-application will be calculated as the average of the panel's confidence ratings. The Confidence Factor for each activity will be factored into the National Evaluation Score. In the event of a tie, the National Ranking Score will be used to break a tie.

## AWARD PROCESS

**Selection/Award:** The Approving Federal Official at Headquarters shall consider the National Evaluation Score, any comments and recommendations from the panelists, and other pertinent information to determine which activities to select for award. FEMA Regional offices will work with Applicants whose sub-applications are selected for award.

**Reconsideration:** At its discretion, FEMA may review a decision where there is an indication of a material technical or procedural error that influenced our decision. Reconsideration occurs only after FEMA has rendered final decisions. Requests for reconsideration based upon material technical or procedural error should be directed to the Regional Director within 60 days of receiving notice of our decision. The Regional Director will analyze the reconsideration request and make a recommendation to the Director of the Mitigation Division at Headquarters or his designee.

## KEY POINTS

### Environmental/Historic Preservation

**Review:** For selected mitigation projects that require any level of environmental review or an environmental assessment, funds will not be awarded and the project cannot be initiated until FEMA has completed its review.

If FEMA determines that certain treatment measures are required to address the environmental/historic impacts of a proposed mitigation project, FEMA will notify the Applicant. The Applicant or Sub-applicant may determine whether or not to accept the grant award based on the estimated additional cost of the treatment measures.

